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May 4, 2006

By Hand

Honorable Mark L. Wolf
United States District Judge
U.S. District Court for the
District of Massachusetts
United States Courthouse
1 Courthouse Way
Boston, MA 02210

re: Bahe v. Franklin/Templeton Distributors, Inc.
Civil Action No. 04-11195 (MLW)

Dear Judge Wolf:

Enclosed is a Stipulation of Dismissal which has been electronically filed in this action. The Stipulation of Dismissal is with prejudice only as to the plaintiff Bahe. All parties respectfully request that it be "So Ordered" by Your Honor.

Mr. Bahe's decision to dismiss this action was based, in large measure, on the Opinion of Judge Woodlock in Yameen v. Eaton Vance Distributors, 394 F.Supp.2d 350 (D.Mass. 2005), which involved claims identical to those asserted here, and which resulted in a dismissal, with prejudice. We are persuaded, after careful analysis, that the plaintiff would be very unlikely to prevail in this case, in light of Judge Woodlock's decision in Yameen.

Subject to approval of this Stipulation, Defendants have agreed to pay my Firm \$100,000 in fees and expenses (which is less than half of my firm's lodestar). Neither Plaintiff nor Defendants believe that any notice to shareholders is required or appropriate here because the Stipulation of Dismissal is with prejudice only as to the plaintiff Bahe and,

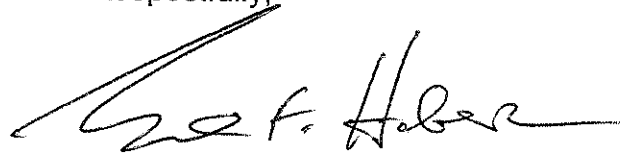
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in any event, notice is not required in an action under § 36(b) of the Act, which is one of the claims here. See Kamen v. Kemper Financial Services, Inc., 908 F.2d 1338, 1348 (7th Cir. 1990), cert. den. on this question, 498 U.S. 999 (1990).

Accordingly, we respectfully request that Your Honor "So Order" the Stipulation of Dismissal.

Respectfully,

A handwritten signature in black ink, appearing to read "E. F. Haber", with a long horizontal stroke extending to the right.

Edward F. Haber
Counsel for Plaintiff

cc: Daniel A. Pollack
Counsel for Defendants
(By FAX)